



CALPEEK

CALIFORNIA POLITICAL WEEK

P.O. BOX 1468, BEVERLY HILLS, CA 90213 (310)659-0205 FAX(310)657-4340
Dick Rosengarten, Publisher E-Mail calpeek@aol.com

VOL. XXIII
No. 16

APRIL 16, 2001

CAMPAIGN 2001: ANOTHER SPECIAL U.S. HOUSE ELECTION LIKELY IN ORANGE COUNTY'S 47TH CD.

Editor's note: Calpeek sources say that within a matter of days (a few weeks at most), Pres. George W. Bush will appoint U.S. Rep. Chris Cox(R-Orange Co.) to the 9th U.S. Circuit Court of Appeals. Once that happens and Cox resigns his seat, it will set off a mad scramble among a long list of potential GOP challengers to see who will win one of the safest Republican CDs in the U.S. Here's our report & analysis...

...The 48-year-old attorney is one of the brightest members in the House GOP caucus and sources say he's always had his eyes on the U.S. Supreme Court. If Cox is confirmed to the 9th U.S. Court of Appeals, he'll be on a fast track to his ultimate dream. Since Cox is well-liked, confirmation should not present a huge problem for the '77 Harvard Law School grad...

...For those with short memories, Cox was elected to the U.S. House in 1988 when former GOP Congressman Bob Badham retired. There was a monster field of 14 GOPers and Cox won with 31%. The 47th CD takes in such cities in O.C. as Newport Beach and Irvine and has a 52.48% GOP voter registration vs. only 28.74% for the Demos. It means Demos need not apply, but since *cross-over voting* is permitted in a special, Demos could play a *key role* in determining which GOP candidate goes to DC...

...To date, Calpeek sources have IDed 9 potential candidates. Of this group, 2 are considered moderates, while the other 7 are conservative. It's not clear yet if the GOP conservative powers in Orange Co.(Lincoln Club, legislative leadership, business executives) will mobilize behind one candidate. Ditto with moderates: the 2 moderates could end up splitting their base vote too...

...Among the conservatives, there are State Senators Dick Ackerman and Ross Johnson; Assemblyman Bill Campbell; attorney and former Assembly GOP leader Scott Baugh; businessman John Crean Sr.; County Sup. Todd Spitzer; and possibly former Congressman Jim Rogan. Rogan isn't from

O.C. and sources say "San Gabriel Valley to Orange Co. is a long reach." Among the moderates are businessman and political activist Mark Chapin Johnson; and former Assemblywoman Marilyn Brewer...

...Of these potential candidates, Crean, Mark Johnson and Campbell all have *deep pockets*. It's doubtful Crean will actually run, but for now he's in it to stop Mark Chapin Johnson. If Brewer were to run, she'd be the only woman and in her former 70th AD post she represented 75% of the 47th CD. Funding is the key question for Brewer, but she's looking. Spitzer is interesting too because he's a tenacious fighter who is a fairly good fundraiser. He's also very popular with his anti-El Toro Airport stance. Sources think Sen. Ross Johnson would be making more political moves now if he were really interested. State Sen. Dick Ackerman announced April 9th that he will run if the 47th CD is vacated. For now we'll have to wait on President Bush. Stay tuned...

L.A. CITY ELECTION RESULTS

Editor's note: As Calpeek hit deadline there were still some 23,000 uncounted provisional and absentee ballots remaining from the Apr. 10th citywide primary. Those AVs could impact election results in the several council races, but won't overturn citywide contests. Voter turnout in L.A. City was less than expected: 31.48%. However, with the absentees, etc., that number may jump to 33-34%. Here's our update, analysis & commentary...

L.A. MAYOR'S RACE

...The June 5th runoff to replace L.A. Mayor Richard Riordan will be a pro-labor/Demo battle featuring former Demo Assembly Speaker Antonio Villaraigosa and L.A. City Atty. Jim Hahn(D). Thus the 8-year reign of Richard Riordan as the GOP mayor of an overwhelmingly Demo city will soon end. Villaraigosa finished first with 30.37% vs. Hahn with 25.18%. In third was Riordan's candidate, GOP businessman Steve Soboroff with 21.16%. Riordan worked hard for Soboroff's election and had Soboroff made the runoff and succeeded Riordan, there are some sources who think Rior-

CALIFORNIA POLITICAL WEEK (ISSN 0195-6175) IS AN INDEPENDENT, NONPARTISAN NEWS ANALYSIS BULLETIN OF CALIFORNIA POLITICAL WEEK, INC., A CALIFORNIA CORPORATION. TELEPHONE: (310)659-0205. ADDRESS: P.O. BOX 1468, BEVERLY HILLS, CA 90213. \$90/YEAR. PUBLISHED WEEKLY, 44 WEEKS PER YEAR. COPYRIGHTED BY CALIFORNIA POLITICAL WEEK, INC. THIS TRADEMARK REGISTERED WITH THE CALIF. SECRETARY OF STATE. REPRODUCTION IN WHOLE OR IN PART REQUIRES EXPRESS PERMISSION. ALL RIGHTS RESERVED. 1ST CLASS POSTAGE PAID AT LOS ANGELES.

dan would have run for governor. Think about it: another GOP mayor in L.A. + a GOP mayor in San Diego. Thus on the list of big losers is Riordan, although it certainly wasn't his fault. Had Soboroff not wasted nearly a \$1 million on overhead in 2000 – and instead communicated with the GOP base – he would have made the runoff. That's a given...

...In fourth place was L.A. Councilman Joel Wachs, followed by U.S. Rep. Xavier Becerra(D-L.A.). In last, among the *Big Six*, with a very disappointing 4.83% was CA Controller Kathleen Connell(D). Had Connell done better she might have been positioned to challenge Demo Gov. Gray Davis in 2002. While she was able to raise a credible warchest, her tv was inconsistent, her attack on Gov. Davis went nowhere and she never had a solid voter base. Wachs is also a big loser, but has no one to blame but himself. He wouldn't listen to his consultants and micro-managed – just like '93. And while he finished 5th, Becerra had some interesting proposals. He still has a promising future in politics...

...As for Villaraigosa and Hahn, the question will be whether Villaraigosa can maintain the momentum he generated at the end of his campaign – or has he peaked? Hahn didn't have much momentum going into the final weeks and just coasted on his favorable and well-known name. If Hahn is to become the frontrunner and take Villaraigosa, he's got to get *energized* – and that's not an easy task given Jim Hahn's nature. Will the June 5th runoff get nasty? Our guess is YES, but not for a while. Hahn wants weekly debates from now until June 5th. More next week...

L.A. CITY ATTORNEY & CONTROLLER

...In the race for L.A. Controller, the winner is L.A. Councilwoman Laura Chick, who got **62.40%**. Her nearest rival was businesswoman Laurette Healey with 27.70%. Chick thus becomes the 1st woman to hold this post. Healey was talked into running by Mayor Riordan, who hates Chick. As noted previously, Healey owed some back taxes to the State and the L.A. Times let everyone know about it. Not good and it's surprising that Riordan didn't do a better job of vetting Healey before deciding to back her. A nice win for the Chick team of lead consultant Steve Afriat and consultant Rick Taylor...

...In the race for L.A. City Attorney, it will be a runoff with L.A. Councilman Mike Feuer vs. L.A. Deputy Mayor Rocky Delgadillo. Feuer got 39.39% vs. 37.92% for Rocky. This was one of the few bright spots for Riordan. L.A. Co. Deputy DA Lea Purwin D'Agostino got 15.53%, while L.A. Co. Deputy DA Frank Tavelman got 7.15%. Wonder if these latter two will endorse???

L.A. CITY COUNCIL

...Only two incumbents were up for reelection and both 7th District Councilman Alex Padilla and 11th District Councilwoman Cindy Miscikowski easily won reelection. Next week, when more absentee ballots are counted, we will update the rest of the council races. Stay tuned...

WATSON WINS DEMO PRIMARY IN 32nd CD SPECIAL.

Editor's note: Former State Sen. Diane E. Watson(D) won the April 9th special election primary to fill the unexpired term of the late Julian Dixon(D-L.A.) who died late last year. Here's our brief report...

...Among the top contenders, Watson polled 27,600 votes or 32.82%. Her nearest rival was current State Sen. Kevin Murray(D), who got 22,273 votes (26.48%). In third was L.A. Councilman Nate Holden(D), who got 14,038 votes (16.69%). Insiders had predicted a Watson win almost from day one, but Murray closed a double-digit gap with Watson in the final days of the campaign, thanks to support from the L.A. Co. Federation of Labor and the CA Demo Party. Watson's key support came from DC-based Emily's List. Insiders speculate that if Holden hadn't run, Murray would have taken Watson. We'll never know...

...Assuming Watson wins the June 5th runoff with GOPer Noel Irwin Hentschel, which seems likely given the 70% Demo registration, Watson would be the 16th Demo woman in the 52-member delegation. A nice win for consultant Leo Briones; field ops consultant Sue Burnside; and for pollsters Fairbank, Maslin, Maullin & Assoc. FYI: one of the big spenders in this special was businessman Philip A. Lowe. But he got only 2.98%. As for Ezola Foster, the Reform Party's VP candidate last year, she pulled only 482 votes. Stay tuned...

ENERGY & POLITICS: PG&E GIVES DAVIS DIGITAL SALUTE. 3 DAYS LATER SCE AND DAVIS INK DEAL.

Editor's note: Calif. Gov. Gray Davis is batting .500 in making deals with the State's two biggest utility companies. As Calpeek readers know, on Friday Apr. 6th, PG&E filed for bankruptcy – 15 hours after Davis delivered a lack-luster tv pep talk to Calif. But then on Apr. 9th, the governor may have rebounded by signing a complex deal with So. Calif. Edison(SCE). Here's our analysis & commentary about the past 11 days. Very hectic and full of political pitfalls...

...Calpeek sources think PG&E *never* had any intension of making a deal with Davis or the State of Calif. All those discussions: nothing but stalling tactics while PG&E's legal team spent weeks preparing to seek the protection of Chpt. 11 bankruptcy. Davis expressed surprise when the bank-

ruptcy announcement was made, but he shouldn't have been. There had been hints going back to January that either PG&E or SCE would do this. But from a political point of view, Davis comes out slightly ahead in the PG&E dispute, thanks to PG&E's ill-timed \$50 million in bonuses to mid-level employees prior to the bankruptcy action. Horrible p/r and Davis blasted PG&E at his Apr. 9th news conference, saying, "PG&E acted arrogantly"...

...As for the agreement with SCE, Davis looks like a winner here, but the jury is still out. The deal still must win an OK from the Calif. Legislature and the PUC and there are signs all may not be well with deal in the Demo-controlled Legislature. According to our sources, the pact has several big flaws: 1) the financing mechanism with SCE issuing bonds repaid by ratepayers sounds more like a bailout, which consumer groups won't swallow. A well-placed Sacto source told **Calpeek**, "It's not fair for SCE ratepayers to carry back debt for this utility." The back debt is owed to the energy generators who hit PG&E and SCE with huge price hikes. It's the energy generators who get their money back – at ratepayers' expense...

...And 2) there is a real question as to whether SCE is giving up \$4 billion in assets/concessions for \$4 billion in cash from Calif. (The SCE transmission system is valued at \$2.76 billion + \$1.24 billion for other concessions). This too is part of the bailout vs. buyout brouhaha...

...The biggest problem for Gov. Davis right now is selling this entire deal, especially to consumer groups, who more and more think the best thing to do is dump the grid buyout in favor of seizing CA power plants belonging to companies who refuse to sell energy at reasonable prices. As for SCE, there does seem to be one concession which is missing in this agreement: SCE should have to actively go after the power generators (in legal action) for their over pricing and if successful, remit to ratepayers the benefits of any recovery. Stay tuned...

CAMPAIGN 2002: ORANGE CO. VOTERS MAY SEE EL TORO IV ON THE MARCH 2002 PRIMARY BALLOT...

Editor's note: Another local initiative involving whether to site an international airport at the former Marine Corps Air Station at El Toro will likely be on the Mar. 5, 2002, primary ballot in Orange Co. Here's our report...

...Unlike the last ballot measure (Measure F, which was approved by 67.3% in March of 2000, but was recently declared unconstitutional by an L.A. judge), this newest local initiative repeals the very first El Toro initiative – Measure A. Measure A allowed zoning for an international

airport. This new proposal repeals the airport zoning and instead puts in zoning for a huge 4,700-acre park. FYI: it would actually be about 1,000 acres less since there is already supposed to be a federal protected park at El Toro...

...Sources say the initiative for *The Great Park* initiative will hit the streets on or about May 1st – give or take...

... *The Great Park* is sponsored by Irvine Mayor Larry Agran, with political consultants Stu Mollrich & Arnold Forde handling political chores. For the past several months, Orange Co. cable tv subscribers have been seeing tons of tv ads about this proposed park at El Toro. And county voters have been hit with a second mail campaign too – produced by Waters & Faubel – pr consultants for the El Toro Reuse Planning Authority. Just a guess, but odds of the Great Park Initiative making the O.C. local ballot are good, if past performance is any guide...

...Of course, pro-airport backers are still hopeful they will win the day. As noted, an L.A. judge struck down Measure F and now that decision is on appeal. In the meantime, the battle continues, not only in Orange Co., but in the City of L.A. too. The public policy debate is about the current capacity of existing airports. Most of those groups opposed to expansion of LAX are allied with the pro-El Toro airport forces in Orange Co...

...The anti-El Toro airport groups (read that as ETRPA, led by the City of Irvine), want John Wayne Airport to expand its passenger load. Turns out that by agreement, airlines flying out of John Wayne Airport are on an average only 63% full. By increasing the number of passengers per flight, John Wayne could boost its 7.8 million passengers/year to 12 million without any new flights – this according to anti-El Toro sources. That could reduce some of the pressure on LAX. Stay tuned...

CALPEEK'S CALENDAR OF POLITICAL EVENTS

Apr. 17	Compton city election.
Apr. 26	Pat Brown Inst.'s 20 th Annual Awards Dinner, Regal Biltmore Hotel, L.A.
May 15	49 th AD special primary.
June 5	L.A. city runoff election; 32 nd CD special election runoff.
June 28-30	NALEO's 18 th Annual Conference, San Jose.
July 10	49 th AD special election runoff.
July 15-17	DLC Nat'l Convention, Indianapolis, IN.
July 20-Aug. 20	CA Legislature's summer recess.
Oct. 29	Calif. candidate declaration of intent for 2002.

TO CALPEEK SUBSCRIBERS: CHANGE OF ADDRESS.

If you've moved or if there's a name change, please send Calpeek a change of address notice WITH your current Calpeek mailing label. The label contains a code and allows us to process your request quickly. Or call or fax us the code info...

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ ***Simon Expands Exploratory Group*** – Bill Simon's Calif. gubernatorial exploratory committee has added Jesse Huff to the team. Huff will serve as Simon's research & policy director. Huff was Gov. Deukmejian's director of finance for 7 years. Also joining the exploratory committee is attorney James F. Sweeney, an expert in political law. Sweeney will be the committee's chief legal counsel. It should be noted that Sweeney was chief counsel to GOP Sec. of State Bill Jones...

■ ***A First Big Test of Prop. 39*** – Remember, Prop. 39? It lowered the vote required to pass a school bond from 2/3rds to 55%. In its first big test, Prop. 39 wasn't needed. The big \$1.2 billion bond Measure A for L.A. Community Colleges passed April 10th with 66.97%. A big win for lead consultant Darry Sragow; mail consultants SG&A Campaigns (read that as Steve Gray-Barkan and Parke Skelton); and for consultant Larry Levine who did lots of IE direct mail for the college teachers guild...

■ ***Utility User Taxes Under Fire*** – It's not only the out-of-state power supplier who are cleaning up, but so are many Calif. cities which impose utility user taxes. About 90% of Calif.'s population are subject to such taxes. In terms of raw numbers, about 156 local jurisdictions have utility user taxes. But now the Howard Jarvis Taxpayers Assn. (HJTA) has issued a warning to these cities: gouging and profiting at the ratepayers' expense during the energy crisis won't be tolerated. HJTA Pres. Jon Coupal has announced the formation of TRUE (Tax Relief for Users of Electricity). TRUE will aid local taxpayers with initiatives aimed at totally eliminating or reducing city utility user taxes. Can this be done? YES, under terms of Prop. 218, approved by voters in 1996. Section 3 makes it easier to use the local initiative power so that voters can have the final say on what level of taxation is fair. Has this been used before? YES. Last November taxpayers in Long Beach cut their utility tax in half....

■ ***Calpeek's Legal File*** – Former L.A. Councilman Richard Alatorre has pled guilty to federal income evasion. The former State Assemblyman admitted that he failed to report about \$42,000 in cash contributions given to him by

persons who were seeking his vote on various projects. The judge has sentenced Alatorre to 8 months of home detention, plus 3 years probation...

■ ***Golden State GOP Women Confab*** – 200 women from Calif. will gather for the 2nd annual Golden State Republican Women Leaders Forum April 20-22 at the Ronald Reagan Presidential Library and Hyatt Westlake Plaza Hotel. Among the participants: U.S. Sen. Kay Bailey Hutchison of TX and U.S. Reps. Mary Bono of Palm Springs and Jennifer Dunn(WA)...

CALPEEK's NEW JOBS AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

● Congrats to S.F. Mayor Willie Brown Jr. and his girlfriend Carolyn Carpeneti on the birth of Syndey Minetta Brown on April 8th...

● Gov. Davis has named Regina Ann Birdsell as Director of the Office of Ratepayer Advocates (PUC)...

● Bill Boyarsky resigned as Metro editor of the L.A. Times on Mar. 31st after 30 years with the daily. In retirement the 66-year-old former political writer and columnist is writing a book about Jesse Unruh...

● L.A.-based Cerrell Associates has added GM, Playboy Enterprises and the L.A. Cable Operators Assn. to their client list...

● The S.F.-based Public Policy Inst. of CA has named Dr. Mark Baldassare as the first recipient of the Arjay and Frances Miller Chair in Public Policy...

● The San Diego office of Stoorza Communications, Inc. has hired John Spelich as exec. VP of p/r. Spelich has been director of investor relations with Gateway, Inc...

● The DC-based political consulting firm of Greer, Margolis, Mitchell, Burns & Assoc., has named Mark Armour and Roy Behr as partners. Both are in the L.A. office of GMMB. The firm will change the name to reflect the expanded partnership...

SOME INFO YOU NEED TO KNOW ABOUT CALPEEK.

Here is some helpful information about Calpeek that you may need to know. Deadlines for news and Marketplace Network: 12 noon each Wednesday. Calpeek is printed and mailed each Thursday. Our fax is (310)657-4340; e-mail calpeek@aol.com. Calpeek does NOT make refunds on cancellations...